These guidelines will be operative from 1 November 2013.

These Guidelines are supplemental to the College Ethics Code and its Relationship Review Policy and supersede the Gift Acceptance Policy (May 2012). They are intended to set out the approval and associated due diligence processes for accepting philanthropic income and gifts, including legacies.

For the purposes of these guidelines, “philanthropic income” is:

(a) income which does not confer full or partial ownership of a deliverable on the funder in return for the funding; and

(b) Income that is in essence (albeit not entirely) philanthropic.

“Gifts” include philanthropic income and other non-financial gifts of a philanthropic nature.

1. INTRODUCTION

The College seeks and encourages charitable donations from a range of sources including individuals, companies, charitable trusts and foundations, alumni and friends of the College. These gifts may be in the form of cash, property, works of art, shares, in-kind services or pro-bono voluntary work.

However, as is acknowledged in the College’s Relationship Review Policy:

(a) All relationships with third parties should be subject to prior and continuing consideration in order to confirm that they support the College’s mission, vision and strategic aims and are consistent with the overall objectives of the College; and

(b) Careful review of proposed and on-going relationships is required in order to mitigate the risk of ethical issues causing damage to the College’s reputation, reducing the College’s ability to secure funding and reducing its capacity to develop beneficial relationships in the future.

Further consideration is also required to confirm that proposed receipts and the terms of such receipts are in the College’s best interest.

Accordingly, all gifts are accepted at the College’s discretion and following a proportionate review. This policy sets out the process for such review. The College reserves the right to refuse or refund any income thought not to meet these requirements.

2. RESPONSIBILITY FOR REVIEW

Responsibility for the review of proposed gifts rests with the Development Team, reporting to the Director of Development. This includes a review of the ethical considerations as well as the wider scope of any proposal.

Where the Development Team is considering the receipt of income which is in essence (albeit not entirely) philanthropic, the team should liaise with other relevant College areas as appropriate, to discuss and agree where the responsibilities for review and any appropriate approvals should lie. Where there is a conflict of opinion which cannot be resolved, the matter should be escalated to the Head of Central Secretariat, who will obtain guidance from the College Secretary & Registrar as appropriate.
Where a Department/Faculty is involved in the gift, the gift will need to be considered and approved by that Department/Faculty/other College area and approved by the relevant Head of Department/Dean/equivalent prior to acceptance.

3. ALL STAFF RESPONSIBILITIES

All staff at the College have a responsibility to notify the proposed receipt of all gifts to the Development Team. Members of staff must give details of the proposed gift in the format developed by the Development Team.

Staff should provide the details to their usual link within the Development Team. Where a member of staff does not have a specific link with a member of the Development Team, details should be provided to the Head of Advancement Operations.

No action should be taken in relation to a proposed gift (or agreement of any terms of a gift) until confirmation has been provided by the Development Team that the matter has been considered by them, including from an ethical perspective, and that a decision has been made at the appropriate level that the income may be accepted.

4. REVIEW BY THE DEVELOPMENT TEAM

A. GENERAL

In line with the requirements of the Relationship Review Policy, when considering a proposed receipt of philanthropic income, the following guidelines will be considered by the Development Team (in light of the information they receive and the due diligence they conduct):

1. Proposed receipts and related arrangements should:
   a. Support the College’s mission, vision and strategic aims
   b. Be consistent with the overall objectives of the College

The mission of the College is: to embody and deliver world class scholarship, education and research in science, engineering, medicine and business, with particular regard to their application in industry, commerce and healthcare. It fosters multidisciplinary working internally and collaborates widely externally.

The College’s vision is:
   a. To remain a world-leading institution for scientific research and education.
   b. To harness the quality, breadth and depth of our research capabilities to address the difficult challenges of today and the future.
   c. To develop the next generation of researchers, scientists and academics.
   d. To provide an education for students from around the world that equips them with the knowledge and skills they require to pursue their ambitions.
   e. To make a demonstrable economic and social impact through the translation of our work into practice worldwide.
   f. To engage with the world and communicate the importance and benefits of science to society.

2. Proposed receipts and related arrangements should not:
   a. Compromise the College’s status as an independent institution
   b. Create material conflicts of interest
   c. Arise, in whole or in part, from illegal activity that might include: Tax evasion
Fraud
Bribery
Violation of international conventions on human rights or the environment
Suppression or falsification of academic research

d. Lead the College to contravene data protection and/or freedom of information legislation
e. Require the College to be involved in action that is illegal
f. Require the College to suppress or falsify academic research
g. Require the College to deviate from its normal hiring, promotion, and contracting procedures
h. Require the College to provide special consideration for admission to its programmes of study

3. Judgement is required to ensure the College’s interests are maintained when reviewing a relationship if it has the potential to:

a. Restrict or limit academic freedom
b. Deter other from supporting or working with the College
c. Cause any other damage, including financial or reputational, to the College
d. Expose the College to potentially significant liability

Relationships where the sources of income or funding are difficult to establish require special scrutiny. In general, philanthropic income should not be accepted where the sources are unknown or cannot be verified.

Additional points the Development Team will need to consider before approving a proposed receipt/the terms of any such receipt include:

- **Additional costs** - Any additional costs associated with the acceptance of a philanthropic/development need to be clearly identified and agreed by those who will bear the burden of those costs.

- **Creditworthiness of the Donor** – where College will be relying on receipt of funds for certain purposes and/or where the College will be incurring financial obligations to third parties on the basis that promised funds will be received, appropriate credit checks should be carried out on the donor. A search of donation databases e.g. Factary Phi should also be used to check whether previous donations were fulfilled.

- **Intellectual property matters** - Where copyright or intellectual property issues are involved in connection with any proposed receipt, they must be clearly understood, and it must be checked that the College can comply with any associated requirements before any relationship is formalised.

- **Onersous or unusual terms and conditions** – the proposed terms of the gift must be clearly understood and appropriately documented. The Development Team will develop preferred gift terms which fundraisers will seek to agree with Donors. Any proposed gift terms departing from the preferred terms will require particular scrutiny.

- **Naming requirements** – any proposals regarding any naming benefits and use of the College brand must be in accordance with the College’s naming and branding policies.

- **Any requests for anonymity** – the College aims to be transparent about relationships entered into, such that any requests for anonymity should be carefully scrutinised. The College will, in any event, have to disclose details of relationships where it is required to do so by law, by any governmental or regulatory authority, or by order of a court.

- **Documentation of the Gift** – all gifts should be appropriately documented:
  
  (a) Where gifts are provided without restrictions, a letter will be sent to the donor thanking them for the gift and confirming that the gift will be used for the College’s charitable purposes.

  (b) Where gifts of less than £50k are provided with simple restrictions only, a letter will be sent to the donor thanking them for the gift and confirming that the gift will be used for the applicable purposes (which will be set out in full in the letter).

  (c) Where active obligations are placed upon College and/or where sums of £50k or above are involved, a full gift agreement must be entered into.
(d) There may be other cases where it is appropriate for a formal gift agreement to be entered into. This will be considered by the Head of Advancement Operations on a case by case basis.

B. DUE DILIGENCE PRACTICES

In order to assist members of the Development Team to make informed decisions as to whether a proposed receipt should be approved in accordance with the guidelines above, due diligence shall be carried out in relation to potential receipts notified to the Development Team.

Due diligence will be conducted by the College’s Prospect Researcher(s). It is the responsibility of the relevant Development Officer to ensure that the Prospect Researcher is briefed on the nature of the proposal and any relevant issues.

The level of due diligence to be carried out will depend on the circumstances.

Where sums in excess of £10k are involved, prospects will be subject to Standard due diligence. This shall include:

- **Identity checking** - a review using sources which confirm a prospect’s identity e.g. Raiser Edge (for alumni), TraceSmart, Charity Commission, Companies House and FAME
- **Checking for high risk indicators** – an internet search using the prospect’s name and the following terms: tax evasion, fraud, human rights, falsification, falsification of academic research, bribe, bribery, controversy, crime
- **Biographical information search** – desk research looking at standard biographical information e.g. family members, career history
- **News source review** – broader reading of news sources regarding the prospect, seeking background information and any indications of controversy
- **Business database check** - a check on business databases (e.g. FAME and Hemscott) to analyse how a prospect acquired their wealth, including analysis of subsidiary companies, and to identify potential conflicts of interest
- **Charity Commission review** - a check of the charitable organisations linked to the prospect using the Charity Commission website
- **Public records check** - a search of online court papers for outcomes of legal proceedings involving the prospect and/or associated companies
- **Bankruptcy and court judgement check** – a search using databases e.g. Tracesmart to locate any bankruptcy or court judgements
- **College history** - a check of the College’s records (e.g. using Raiser’s Edge and electronic search tools) for information regarding previous College relationships and cultivation history. This includes details of previous donations.

Where sums in excess of £50k are involved, prospects will be subject to Full due diligence (in addition to Standard due diligence). This shall include:

- **Further internet search** – further search engine research to locate possible connections to persons of disrepute e.g. fraudsters, criminals or controversial figures
- **Human Rights/environment/other record checks** – a review of research reports from NGOs e.g. Amnesty, Human Rights Watch, Greenpeace etc to consider human rights, environmental or other ethical issues

Where gifts are to be received over a specified period, the thresholds above should be considered by reference to the total values anticipated. Where gifts are to be provided over an unspecified period (unless it is clear that the values will exceed the relevant thresholds in which case the appropriate level of due diligence should be conducted) the value of the gift over the first five years should be used when assessing whether the thresholds have been reached.

It is noted that often quick decisions need to be made in relation to acceptance of gifts. To this end, the College’s Prospect Researcher(s) shall endeavour to:

- Complete all Standard due diligence and reporting within 3 working days
- Complete all Full due diligence and reporting within one week.

**A note on legacies**
Where gifts are being provided to the College under the terms of a will, appropriate due diligence needs to be taken place both at the stage a pledge is made and at the stage that the pledge is fulfilled.

The due diligence should follow the requirements set out above for non-legacy gifts. An assessment should be made at the time of the pledge as to the value of the gift likely to be received in respect of the legacy, where possible, and due diligence should be undertaken accordingly. Where the position is unclear, guidance should be sought from the Director of Development. Due diligence should be carried out according to the actual value to be received prior to acceptance of gifts in fulfilment of a pledge.

A note on continuing relationships

It is acknowledged that the position as regards an existing donor may change over time. Accordingly, where funding continues, the Development Team will review all gifts within five years of receipt and at five-yearly intervals thereafter. In the event that the Development Team have reason to believe that a review is required at an earlier point in time, a review shall be carried out accordingly.

C. CONSIDERATION WITHIN THE DEVELOPMENT TEAM/COLLEGE SECRETARY & REGISTRAR

The Director of Development must approve all gifts prior to receipt, including the terms of such gifts. Additionally, any proposed receipts of gifts (including legacies) involving values of £100k and above must be referred to the College Secretary & Registrar for review prior to acceptance.

To this end:

(a) A full report will be compiled by the Prospect Researcher, with further input as required from the Head of Advancement Operations, detailing any adverse findings identified during the due diligence process within one week of receiving a request for review. The report will be provided to Director of Development (and the College Secretary & Registrar as appropriate) for consideration.

The legal and reputational rights of potential donors will be considered as part of this process. A clear distinction will be drawn between rumour or speculation and matters of confirmed fact or legal finding, while also accepting that the College may wish to consider the reputational risks to the College that could be incurred through public perception of association with any potential donor.

(b) A further report will be compiled by the Head of Advancement Operations detailing the proposed terms of receipt, highlighting any additional issues (including in relation to costs, intellectual property, onerous terms and conditions, proposed departures from the College’s preferred gift terms/precedent gift agreement etc). A draft deed of gift or confirmation letter (as appropriate) shall be attached to the report. The report will be provided to the Director of Development (and the College Secretary & Registrar as appropriate) for consideration within one week of receipt of the proposed terms.

The Director of Development will notify his/her decision (following approval by the College Secretary & Registrar/College Cabinet/Audit Committee in appropriate cases) including any specific conditions of acceptance and guidance, as soon as possible.

In the event that the Director of Development does not feel able to approve a proposed receipt as a result of any ethical considerations identified, the decision may be escalated in accordance with the escalation procedure set out below.

The Development Team shall seek advice as required from the support functions within the College when assessing the proposed terms of any gift.
5. CONSIDERATION BY THE INTENDED BENEFICIARY

Where a gift is to be given without restriction, this may be accepted by the Development Team following its review. It shall be for the President to determine how the gift may be used.

Where a gift is to be given for specific purposes, the relevant Head of Department/Dean/equivalent (as appropriate) must confirm that they will accept gifts for such purposes prior to any commitment being made. The relevant individual must be made fully aware (in writing) of any restrictions on the use of the gift.

Where a gift is to be given that places any active obligations on a Department/Faculty/other area of College, the Head of Department/Dean/equivalent (as appropriate) must be satisfied that the relevant Department/Faculty/other College area can honour such obligations. The Development Team will highlight any areas for particular consideration.

6. CONSIDERATION OF NON-PHILANTHROPIC ELEMENTS

In the event that the Development Team receives details of a proposed a non-philanthropic receipt, it shall notify the Corporate Partnerships team/Research Office/other College area (as appropriate) to allow them to carry out appropriate review. If the Development Team cannot identify a team in College with responsibility for review of the non-philanthropic elements of the proposed receipts, it shall notify the Head of Central Secretariat, who will seek the opinion of the College Cabinet if necessary, and who will make any necessary directions for where the review will take place.

7. ESCALATION OF ETHICAL ISSUES

If the Director of Development identifies an area of concern during the solicitation/negotiation or review of a proposed receipt, the Director of Development shall consider the matter and direct and provide guidance to the members of the Development Team as appropriate. Matters that cannot be resolved at this level should be referred by the Director of Development to the College Cabinet (via the Head of Central Secretariat) for decision. A formal referral is required using the pro-forma attached at Appendix A.

In the exceptional event that consensus cannot be reached in this forum, a formal reference should be made by the College Secretary & Registrar to the Audit Committee, which will seek further advice from College employees, third parties and the College’s Council as required before coming to a decision. A formal referral is required using the pro-forma attached at Appendix A.

In addition, any proposed receipts (including legacies) involving values of £100k and above must be referred to the College Secretary & Registrar for review prior to acceptance. A formal referral is required using the pro-formal attached at Appendix A. Where receipts are anticipated or promised over a specified period, the threshold should be considered by reference to the total amounts/values anticipated. Where receipts are anticipated/promised over an unspecified period (unless it is clear that the values will exceed the relevant thresholds) the value over the first five years should be relevant in assessing whether the threshold is reached.

(The pro-forma attached at Appendix A provides a mechanism for a decision maker/decision making body to request further information to enable it to come to a decision and a formal method by which the decision may be notified and any guidance provided.)
8. RECORD KEEPING

A record of all gifts notified to the Development Team will be retained by the Development Team, including:

- Confirmation in each case that the Director of Development (or delegated authority) has approved/rejected receipt or escalated the matter to the Head of Central Secretariat if an issue is raised or the College Secretary & Registrar if the £100k threshold has been exceeded;
- Details of any subsequent approvals/rejections provided by the College Secretary & Registrar and/or the College Cabinet/Audit Committee;
- Records of ethical and other due diligence carried out;
- All reports containing details of the due diligence carried out/any recommendations made/relevant signatures confirming approval;
- Copies of material relationship documentation.

9. ACCOUNTABILITY REPORTING AND TRANSPARENCY

The College Secretary & Registrar (in consultation with the Director of Development and others as appropriate) will produce a report to the Audit Committee each term, outlining the ethical issues considered by him/her and by the College Cabinet and how such matters have been dealt with. Any concerns with how the Code or related policies are functioning will be included within the report.

The College aims to be transparent about relationships entered into and a report detailing gifts received will be included in the College’s Annual Fundraising Report.

Approved by Council: 12 July 2013

Effective from: 1 November 2013
APPENDIX A

NOTIFICATION OF MATTER FOR ETHICAL CONSIDERATION

UNDER THE IMPERIAL COLLEGE RELATIONSHIP REVIEW POLICY

A. DETAILS OF INDIVIDUAL MAKING THE NOTIFICATION (to be completed by the individual making the notification, being one of the following: Head of Central Secretariat, Director of Corporate Partnerships, Director of Development, Director of Financial Services and Procurement or Director of the Research Office, College Secretary & Registrar):

Name: [xx]
Position: [xx]

B. DETAILS OF THE ETHICAL ISSUE (to be completed by the individual making the notification).

1. Type of relationship i.e. gift, corporate partnership, research partner etc) [xx]

2. Reason for notification (i.e. gift above £100k, corporate partnership above £100k, ethical concern arising in the course of due diligence or otherwise)

3. Is there a specific ethical issue that needs to be considered? (yes/no) [xx]

4. (If there is a specific ethical issue that needs to be considered) Detail of the ethical issue and your recommendation as to how the matter should proceed: [xx]

5. Brief history of the matter (including whether the proposed relationship arises from a solicitation from (or a contact within) Imperial College or from an independent approach): [xx]

6. Details of any non-standard or potentially onerous conditions proposed in connection with the proposed gift/relationship: [xx]

7. Details of the due diligence that has been carried out and the results of that due diligence: [xx]

8. Status of the relationship and timescales: (including details of the current status of negotiations/previous contact between the College and relevant individual or organisation/ when it is intended that the relationship will be entered into): [xx]

9. Further comments and reference to additional documentation provided (include all further details that you would like to draw to the attention of the decision maker and refer to all supplementary documents included for review) [xx].

C. DETAILS OF FURTHER INFORMATION REQUIRED BY DECISION MAKER (to be completed by the College Secretary & Registrar where a matter has been referred to him/the College Cabinet or by the Clerk of the Audit Committee following a referral to that Committee)

Further information required: (if none, please specify) [xx]
D. CONFIRMATION OF DECISION AND GUIDANCE (to be completed by the College Secretary & Registrar where a decision has been made by him/the College Cabinet or by the Clerk of the Audit Committee following a decision by that Committee)

Do you/the Committee approve the proposed relationship? Yes/No

Details of any conditions attached to an approval: [xx]

Any further comments (please include details of further guidance or reasons where appropriate) [xx]

[Sign off mechanism to be included]